



GEORGIA

DEPARTMENT OF NATURAL RESOURCES

SONNY PERDUE
GOVERNOR

CHRIS CLARK
COMMISSIONER

July 28, 2009

Ms. Elizabeth P. Archer, Esq.
State Inspector General
2 Martin Luther King Dr., S.W.
1102 West Tower
Atlanta, Georgia 30034

Re: File Number 08-104

Dear Ms. Archer:

Thank you for your Report of Investigation dated July 16, 2009, and the recommendations contained therein. I have carefully reviewed the report and recommendations, and wish to inform you of corrective actions the Department of Natural Resources (DNR) has taken or will take in response. I would also like to note that the employee discussed in this matter, Michelle Bonner, is no longer employed by the Department of Natural Resources.

Our specific response to each recommendation is noted below in italics:

OIG Recommendation and DNR Response

1. DNR should adhere to its recently adopted internal Critical Hire and Personnel Action Request process and regularly review and update this policy as needed.
Chris Clark was appointed Commissioner of Natural Resources in April 2009. At that time, Commissioner Clark enacted a new Personnel Action Request Process, which requires all personnel actions to first go through the Assistant Deputy Commissioner for Human Resources and then to the Commissioner. After approval by the Commissioner, the action is then forwarded for budget impact analysis and sent back to Human Resources for processing.
2. DNR should ensure that lines of communication are open between all divisions to ensure organizational efficiency and effectiveness.
DNR agrees that open lines of communication are imperative to a well-functioning organization and has taken steps over the past few months to improve internal communications agency-wide. In March 2009, Commissioner Clark conducted five listening sessions with DNR employees so that employees could talk directly with the Commissioner about their thoughts and concerns. Employees

were given the opportunity to write questions and suggestions anonymously in case they did not feel comfortable sharing them publicly. In addition, DNR has developed a new Intranet in order to communicate recent developments at the department as well as policies and procedures. The Intranet features sections where employees can send suggestions to the Commissioner, anonymously report misconduct, and post information for all DNR employees to view. Finally, Commissioner Clark is sending regular email updates to all staff and encourages direct feedback from employees via phone, email or a personal visit.

In terms of budgeting documents, the Program Support division has been instructed that each DNR division should have complete access to their budgetary and financial data. In addition, the Program Support unit is undergoing an Administrative Review Initiative to assess and restructure the department's administrative support processes to improve their responsiveness, cost effectiveness and performance. As part of the Administrative Review Initiative, a customer service survey of administrative support units has been conducted to gather feedback about how the program support unit and the divisions can work together more effectively. Also as part of this initiative, many budgetary decisions have been de-centralized from the central office to the divisions and the relationship between the budget office and the divisions has become a partnership, with clear and timely communication as its cornerstone.

3. DNR should provide comprehensive contract management training for any employees involved in the processing, awarding, and monitoring of contracts, for the agency itself or administratively attached entities. Training should include, but is not limited to:
 - a. Avoidance of conflicts of interest
 - b. Contract documentation and record keeping
 - c. Vendor selection
 - d. Evaluation of vendor performance
 - e. Documentation of contract administration decisions
 - f. Ensuring deliverables are met
 - g. Communication of clear expectations.

DNR agrees with the recommendation that any employee involved in the contract management process should receive the appropriate contract management training. The Department's Agency Purchasing Officer has been through a DOAS sponsored training program that addresses all of the aspects of contract management cited in the recommendation. As part of the Department's participation in the statewide initiative called Team Georgia Marketplace, and our own initiative to decentralize purchasing authority within the department, all of the department's buyers will be required to obtain the necessary certification from DOAS to handle the competitive bidding process and related contract management issues such as the avoidance of conflicts of interest, contract documentation and record keeping, and other related matters. Commissioner Clark has also directed the Deputy Commissioner of Finance and Administration to conduct a comprehensive assessment of the department's current level of compliance with state contract management requirements and to put in place any necessary corrective measures to ensure that all of the department's contracts are appropriately bid out if necessary and reviewed before final signature.

4. DNR should consider requiring all contracts, including those for administratively attached entities to undergo legal review in order to ensure compliance with state contracting policies and provisions.

DNR agrees that contracts should be subject to a legal review to ensure that the State's contracting policies and procedures have been followed and will add this element to the existing review process.

5. DNR should ensure that documents and records pertaining to administratively attached entities are readily available within the agency for review.

DNR will work with its attached entities to adhere to this recommendation.

6. DNR should consider developing an internal policy regarding aircraft use.

DNR will develop an internal policy regarding aircraft use and disseminate that policy to management and post on the Intranet. The policy will state that employees must receive written approval from the Commissioner or his authorized designee before scheduling a flight (except in emergencies situations where the public's health, safety or welfare might be threatened). DNR will ensure that this policy is coordinated with the policies and procedures of the newly formed Georgia Aviation Authority.

7. DNR should continue the use of flight report forms and should ensure that the forms are completed in their entirety. DNR should consider requiring passengers to provide the state-related business purpose of the travel to ensure transparency.

DNR's flight policy will state that employees are required to complete flight report forms in their entirety, including providing the business purpose of their travel.

8. The North Georgia Mountains Authority should consider adopting bylaws, rules, and regulations governing the manner in which its business may be transacted as provided for in O.C.G.A. §12-3-394(11).

Commissioner Clark has referred this recommendation to the Executive Director of the North Georgia Mountains Authority as well its Chairman of the Board, Tom Wheeler, who have indicated that they will adhere to Inspector General's recommendation.

The responses above highlight the internal policies, procedures and controls that have been or will be implemented at DNR. I sincerely appreciate the time and effort you and your staff have put into this investigation. Please also note that upon becoming Commissioner, I, in conjunction with the Chairman of the Board of the North Georgia Mountains Authority (NGMA), requested a complete financial audit of NGMA by the Georgia Department of Audits and Accounts, which is currently underway. If you need any additional information or have any concerns with this response, please do not hesitate to contact me.

Sincerely,



Commissioner, Department of Natural Resources